

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

In re:

NATIONAL BROKERS OF AMERICA,

Debtor.

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Chapter 7

Case No. 19-15488-pmm

**APPLICATION OF TRUSTEE FOR AUTHORITY TO EMPLOY GELLERT SCALI
BUSENKELL & BROWN, LLC AS SPECIAL COUNSEL FOR THE BANKRUPTCY
ESTATE**

Robert H. Holber, Esquire, Chapter 7 Trustee (“Chapter 7 Trustee”) of the bankruptcy estate of the above-captioned debtor (the “Debtor”), hereby respectfully submits this application (the “Application”), pursuant to section 327 and 328 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for authority to employ and retain GELLERT SCALI BUSENKELL & BROWN, LLC as special counsel in handling a claim on behalf of the Chapter 7 Trustee, and respectfully represents as follows:

1. On September 3, 2019 (“Petition Date”), the Debtor commenced this Chapter 7 bankruptcy case by filing a voluntary petition with the United States Bankruptcy Court for the Eastern District of Pennsylvania. The case was assigned docket number 19-15488-pmm.

2. Robert H. Holber was appointed the Chapter 7 Trustee.

3. The Trustee’s investigation into the Debtor’s affairs revealed potential avoidance and successor liability claims and potential claims against the Debtor's partners, principals, insiders, transferees and/or others arising out of transfers that may be avoidable under sections 544, 547, 548 and/or 549 of the Bankruptcy Code and/or applicable state law (collectively, the “Litigation Claims”).

4. The Chapter 7 Trustee desires to retain GELLERT SCALI BUSENKELL & BROWN, LLC as Special Counsel for the Bankruptcy Estate to pursue the Litigation Claims.

5. GELLERT SCALI BUSENKELL & BROWN, LLC has conducted a preliminary investigation into the facts and circumstances to which it is to be employed and to proceed with litigation. The Chapter 7 Trustee believes that the knowledge and experience of GELLERT SCALI BUSENKELL & BROWN, LLC will enable the Chapter 7 Trustee to be represented in a prompt and efficient manner.

6. The special employment of GELLERT SCALI BUSENKELL & BROWN, LLC will be limited to pursuing the Litigation Claims.

7. Resolution of the Litigation Claims will greatly enhance the assets of the estate, and is in the best interests of the estate.

8. GELLERT SCALI BUSENKELL & BROWN, LLC has agreed to accept this limited engagement on a contingent fee basis - subject to the approval of the bankruptcy court pursuant to Local Rules 2016-1 and 2016-3 - as follows. GSBB shall be entitled to receive a contingent fee equal to Thirty-Three Percent (33%) of the "Financial Benefit" recovered or obtained by or on behalf of the Trustee and/or the Debtor in connection with the Litigation Claims, whether recovered by settlement, judgment, award, verdict or otherwise through trial. In the event that the Financial Benefit is obtained after commencement of any appeal, GSBB shall be entitled to receive a contingent fee equal to Forty Percent (40%) of the Financial Benefit. "Financial Benefit" recovered by or on behalf of the Trustee and/or the Debtor shall include, but shall not necessarily be limited to, all monies received or recovered (including all sums received on account of compensatory damages, punitive damages, and attorneys' fees), and the fair market

value of all other property recovered or received and the value of any claim reduction, credits, setoffs, adjustments, reductions or forgiveness of any claim or charge.

9. GELLERT SCALI BUSENKELL & BROWN, LLC is in agreement with the Trustee is that in the event it is unsuccessful, it will waive any administrative claim for costs and expenses advanced in furtherance of the Litigation Claims.

10. The best interests of the estate will be served by the limited retention of GELLERT SCALI BUSENKELL & BROWN, LLC

11. This Application has been made in accordance with Local Rules 9013-1(d) and 2014.1.

WHEREFORE, the Chapter 7 Trustee prays for an Order approving the employment of GELLERT SCALI BUSENKELL & BROWN, LLC as special counsel, and for such other and further relief as is just.

Date: December 10, 2020

Respectfully submitted,

GELLERT SCALI BUSENKELL
& BROWN, LLC

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Proposed Special Counsel for the Chapter 7 Trustee